

Minutes from Annual General Meeting

Company Karolinska Development AB (publ) (556707-5048)
Date April 26, 2018
Place Solna

1. Opening of the meeting

The meeting was declared opened by the chairman of the board of directors, Hans Wigzell.

2. Election of chairman of the meeting

It was resolved to appoint lawyer Johan Hessius as chairman of the meeting. It was noted that Ulf Richenberg, General Counsel at Karolinska Development, had been appointed to keep the minutes at the meeting.

3. Preparation and approval of the voting list

The voting list for the meeting was approved, Appendix 3. It was noted that three directors of the board, the CEO and the chairman of the Nomination Committee Peter Lundkvist were present. It was approved that persons not being shareholders in the company (such as employees of the company) and shareholders that had not notified the company of their participation or not had shares registered with a nominee temporarily registered in their own name within the stipulated time frame should be entitled to participate in the meeting.

4. Approval of the agenda

It was resolved to approve the agenda in accordance with the notice of the meeting.

5. Election of one or two persons to verify the minutes

It was resolved that the Chairman together with Sten Sjöstedt from law firm Nova, representing Coastal Capital International Ltd, should verify the minutes.

6. Determination of whether the meeting was duly convened

It was noted that the notice of the meeting had been published in *Post- och Inrikes Tidningar* on March 23, 2018 and that information that the notice had been issued was published on the same date in *Svenska Dagbladet*. The notice has also been available on the company's website since March 21, 2018.

The meeting was declared duly convened.

7. Presentation of the annual report and the auditor's report and the group annual report and the auditor's group report

It was noted that the annual report and the auditor's report, and the group annual report and the auditor's group report, **Appendix 7**, were available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders upon request.

The Chairman of the AGM presented the auditor's reports and the audit work.

It was established that the annual report and the auditor's report, and the group annual report and the auditor's group report had been duly presented.

8. Information from the CEO

Viktor Drvota, CEO, presented information about the company's business during the financial year 2017 and part of 2018. The shareholders had the opportunity to ask questions.

9. Report on the work of the board of directors

The chairman of the board of directors presented information regarding the work of the board of directors and the committees during the financial year 2017.

10. Resolutions regarding:

a) adoption of the profit and loss statement and the balance sheet, and consolidated profit and loss statement and consolidated balance sheet

It was resolved, in accordance with the auditor's approval, to adopt the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet.

b) appropriation of the company's result according to the adopted balance sheet

It was resolved, in accordance with the auditor's approval, to approve the allocation of the result, proposed by the board and the CEO: in total SEK 266,476,404 be allocated as follows: To be carried forward SEK 266,476,404.

c) discharge from liability of the directors and the CEO

It was resolved, in accordance with the auditor's approval, to grant the directors and the CEO discharge from liability for the financial year 2017. It was noted that neither the directors of the board, nor the CEO, that were entitled to vote, participated in the resolution.

11. Resolution regarding the number of directors and auditors and deputy auditors to be appointed

Peter Lundkvist presented the nomination committee's proposal regarding the number of directors and deputy directors as well as auditors and deputy auditors to be appointed.

It was resolved, in accordance with the nomination committee's proposal, that the number of directors shall be six without deputies and that the number of auditors shall be one. No deputy auditor shall be appointed.

12. Resolution in respect of the fees for the board of directors and for the auditor

Peter Lundkvist presented the proposal of the nomination committee regarding fees for the directors of the board and for the auditor. The proposal in the notice and available on the web site had been adjusted in the way that the no fee per meeting will be paid to the Chairman.

It was resolved that the chairman will be paid a fixed amount of SEK 400,000 to be paid out in proportion to board meetings attended. All other directors will be paid a fixed amount of SEK 200,000 to be paid out in proportion to board meetings attended.

It was further resolved, in accordance with the nomination committee's proposal, that the auditor will be paid as per invoice.

13. Election of chairman of the board of directors, directors and auditors and deputy auditors

Peter Lundkvist presented the proposal of the nomination committee regarding election of chairman of the board and election of directors and auditors and deputy auditors.

It was noted that information regarding positions in other companies held by the proposed directors was presented.

It was resolved, in accordance with the nomination committee's proposal, to re-elect the directors Hans Wigzell, Tse Ping, Vlad Artamonov, Anders Härfstrand, Magnus Persson and Theresa Tse. Election of Hans Wigzell as chairman of the Board of Directors. It is noted that, as more than half of the members are resident outside the European Economic Area, the proposed composition requires an exemption from the residency requirements from the Swedish Companies Registration Office.; to elect Hans Wigzell as Chairman of the Board of Directors. The composition of the Board of Directors meets the independence requirement of the Swedish Corporate Governance Code.

It was resolved, in accordance with the nomination committee's proposal, to elect Ernst & Young, AB as auditor, currently with Björn Ohlsson as auditor in charge, for the time until the end of the 2019 Annual General Meeting.

14. Principles for appointing members of the nomination committee

Peter Lundkvist presented the nomination committee's proposal regarding the principles for appointing members of the nomination committee.

I was resolved, in accordance with the nomination committee's proposal, thatThe Nomination Committee shall have five members of which the five largest owners (voting power, as set forth in the share register kept by Euroclear Sweden AB as of 31 August 2018) shall appoint one member each. The chairman of the Board of Directors shall convene the first meeting. If a shareholder does not exercise its right to appoint a member, the shareholder next in order of voting power, who has not already appointed a member or has a right to appoint a member, shall have the right to appoint a member to the Nominating Committee. The members of the Nomination Committee shall be made public as soon as the members have been appointed, and in no case later than six months prior to Annual General Meeting 2019. The members shall among themselves appoint the chairman of the committee. If a member resigns or is prevented from pursuing his/her assignment, the

shareholder that has appointed such member shall appoint a new member. In the event that the shareholding in the Company is materially changed, before the Nomination Committee has completed its assignment, the Nomination Committee may decide to change the composition of the Nomination Committee, as determined by the Nomination Committee (considering the principles applicable for the appointment of the Nomination Committee). Any change in the composition of the Nomination Committee shall be announced as soon as possible. No fees shall be paid to the members of the Nomination Committee. Out of pocket expenses shall be reimbursed by the Company. The mandate of the committee shall be until the members of the succeeding committee have been announced. The Nomination Committee shall carry out the tasks that, according to the Swedish Corporate Governance Code, are the responsibility of the Nomination Committee.

15. The board of directors' proposal regarding principles for remuneration to executive management
Björn Ohlsson, auditor in charge of the company's auditors Ernst & Young, presented his report whether the board of directors and the CEO during the financial year 2017 had complied with the adopted principles for remuneration to executive management.

It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

It was resolved to approve the proposal by the board of directors regarding principles for remuneration to executive management in accordance with Appendix 15.

The Board of Directors' proposal regarding authorization for the Board of Directors to resolve on transfer of own shares

It was resolved to authorize the board of directors to decide, on one or several occasions and until the next Annual General Meeting, to transfer earlier acquired shares of series B amounting to 244,285 to cover charges in the form of social security fees in PSP 2015. Transfer of the Company's shares may be carried out with or without deviation from the shareholders' preferential rights. Transfers shall be made on Nasdaq Stockholm. Transfers can only be made at a price within the price interval registered at each time for the share.

It was noted that the resolution was made with the required majority. It was also noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

16. The board of directors' proposal regarding authorisation for the board of directors to resolve on new issues of shares

It was resolved to authorize the board of directors for the period up to the next Annual General Meeting to resolve, whether on one or several occasions, with or without deviation from the shareholders' priority rights, and for payment in cash, by set-off or in kind, to issue new shares of series B up to a number that, at the time of the first resolution under this authorization, corresponds to ten (10) per cent of the total share capital; provided however that any such issue must not result in the Company's share capital exceeding the Company's maximum allowed share capital as set out in the articles of association.

It was noted that the decision was made with required majority. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and had been sent to shareholders on request.

17. The Board of Directors' proposal regarding approval of issue of warrants to key persons in subsidiary

It was resolved to approve, in accordance with Chapter 16 of the Swedish Companies Act, a new issue of warrants by Modus Therapeutics Holding AB (publ) directed to key persons in Modus Therapeutics Holding AB (publ) in accordance with Appendix 18.

It was noted that the decision was unanimous. It was noted that the proposal was available at the meeting and had been available on the company's website and at the company's office three weeks prior to the meeting and that it had been sent automatically to shareholders that had notified the company of their intention to attend the meeting and provided their postal address.

18. Closing of the meeting

The meeting was closed.

Keeping minutes

Ulf Richenberg

Verified

Johan Hessius

Sten Sjöstedt